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**FISCAL IMPACT STATEMENT**

**LS 6189**

**BILL NUMBER:** HB 1092

**NOTE PREPARED:** Feb 27, 2012

**BILL AMENDED:** Feb 20, 2012

**SUBJECT:** Johnson Superior Court Judge.

**FIRST AUTHOR:** Rep. Burton

**FIRST SPONSOR:** Sen. Bray

**BILL STATUS:** As Passed Senate

**FUNDS AFFECTED:** X GENERAL  
DEDICATED  
FEDERAL

**IMPACT:** State & Local

**Summary of Legislation:** (Amended) This bill adds a fourth judge to the Johnson Superior Court. It specifies that the part of the total salary and benefits otherwise paid by the state for the judge of the new Johnson Superior Court #4 will not be paid until a building in existence on January 1, 2012, has been rehabilitated and is ready as a place for the court to hold sessions.

**Effective Date:** July 1, 2012.

**Explanation of State Expenditures:** (Revised) While the court would be created on January 1, 2015, the state would not begin paying the salary of the judge until the Board of Johnson County Commissioners informs the Auditor of the State that a building exists to house the new court. Additional state expenditures are estimated to be \$83,055 beginning in FY 2015 and increasing to \$166,109 for each subsequent year, depending on salary increases. It is assumed that the court building will be available on January 1, 2015. (See *Explanation of Local Expenditures.*)

Johnson Superior Court #4					
Effective Date	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
1-Jan-2015			\$83,055	\$166,109	\$166,109

*Background Information-*

The salaries of circuit and superior court judges can be adjusted each year by one of two methods:

- The General Assembly can increase the amount specified in statute.
- If the General Assembly does not increase the salary of judges by a nominal amount, then under IC 33-38-5-8.1, salaries of judicial officers can be adjusted by the amount that executive staff salaries in the same salary level are increased and the Chief Justice of the Indiana Supreme Court approves the increase.

State expenditures associated with this new judge also depend on the costs of fringe benefits for state employees. While most of the benefits are based on a percentage of the salaries of the employee, the costs of medical insurance for the persons filing these new positions will depend on future decisions of the executive branch. The extent to which the state would pass along any increase in health insurance costs to employees is unknown.

The following table shows estimates of the total compensation (base salary and fringe benefits) of judges in November 2011. Future salary increases will depend on legislative or administrative actions (see IC 33-38-5-8.1).

<b>Salaries and Benefits for Judges (FY 2011)</b>	
<b><u>Benefits</u></b>	<b><u>Judges</u></b>
Salary	\$127,280
Life Insurance	\$362
Indiana Judicial Conference	\$1,000
Social Security	\$9,737
Retirement	\$11,837
Disability Insurance	\$2,902
Health, Dental, and Vision (blended rate)	<u>\$12,991</u>
Total Cost Per Judicial Officer	<u>\$166,109</u>

### **Explanation of State Revenues:**

**Explanation of Local Expenditures:** (Revised) Johnson County reports that space in a court annex is available for a new court, but the county probation offices and other court services that currently are housed in the annex must first be moved to a former bank building. Once staff is moved, the annex can be remodeled to accommodate the actual court, jury rooms, and office space for the judge and staff.

After the actual court space is ready, the Johnson County Commissioners would be required to issue a resolution to the Auditor of State that the building that would house the court is available. Johnson County court officials anticipate that the remodeling would take 12 to 16 months to complete the entire project.

Johnson County would also need to hire additional support staff for this new court.

### **Explanation of Local Revenues:**

**State Agencies Affected:** Division of State Court Administration; Indiana Judicial Conference.

**Local Agencies Affected:** Johnson County.

**Information Sources:** Division of State Court Administration.

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